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VICTOR WANG & ANOR
v. MUHAMMAD FAIZ MAMING & ORS

HIGH COURT MALAYA, KUALA LUMPUR
ARZIAH MOHAMED APANDI JC
[CIVIL SUIT NO: WA-22NCVC-298-05-2025]
B 20 AUGUST 2025

Abstract – *(i) Injunctive relief is the appropriate remedy when the threatened harm is intangible, unquantifiable and potentially permanent. This includes loss of unique intellectual property, damage to business reputation and goodwill, loss of competitive position and regulatory or contractual consequences. In such instances, monetary damages are deemed an inadequate remedy; (ii) A Mareva injunction is justified where there is a real and substantial risk of dissipation of assets to frustrate a potential judgment. This risk must be 'solidly grounded in evidence' rather than speculation. Evidence of past conduct – such as prior misappropriation of company funds, unauthorised asset transfers and lack of transparency – serves as a sufficient basis to conclude that a defendant may dissipate assets.*

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CIVIL PROCEDURE: *Injunction – Interlocutory injunction – Application for continuation of ad interim injunction – Prohibitory, Mareva and mandatory orders – Corporate dispute – Allegations of secret profits, misappropriation of trademarks and company's assets and breach of fiduciary duties – Whether there were serious triable issues – Whether damages adequate remedy – Whether risk of dissipation of assets established – Whether conduct of parties relevant – Rules of Court 2012*

The third defendant, Studio Twenty Three Sdn Bhd ('company'), operated Lane 23, a luxury nightclub and bistro. The plaintiffs served as Directors, alongside the first and second defendants, with equal representation on the Board. The plaintiffs had engaged in a series of unauthorised actions to the detriment of the company, namely: (i) as shareholders of Mate Mate Sdn Bhd ('MMSB'), the plaintiffs directed the company to spend RM163,273.32 on 'Mate Mate Energy' products without disclosure to the Board; (ii) following a notice for the plaintiffs' removal as directors, the second plaintiff personally assigned company trademarks to herself without the Board resolution. The first plaintiff used a sham agreement to claim ownership of a sound system. He falsely claimed personal payment of EUR366,889.35 – a sum actually paid by the company – aiming to seize the asset by paying only the remaining EUR87,038.65; (iii) the plaintiffs (a) posted defamatory content on TikTok alleging gangsterism and xenophobia; (b) sent anonymous emails with false claims of drug-related criminal investigations, which caused

artist cancellations and loss of business to competitors; and (c) exposed the company to legal liability through the unauthorised termination of security services. An *ad interim* injunction order stipulated that the plaintiffs (i) were restrained from entering within 500m of Lane 23, harassing staff or customers and accessing the company's digital assets. They were further prohibited from publishing defamatory contents, representing themselves as company agents, interfering with business operations, or hiring third parties to harass the business; (ii) were prohibited from removing, disposing of, or diminishing any assets – including bank accounts, shares, and property – whether in Malaysia or abroad. Their assets were frozen up to RM500,000 each. Any sale proceeds must be paid into court or a solicitors' trust account; and (iii) must immediately remove all defamatory publications and disclose all global assets. The plaintiffs were permitted to withdraw RM1,000 weekly for living expenses and RM5,000 monthly for legal fees, with further amounts subject to court approval and supporting documentation. This application sought to continue these prohibitory, *Mareva,* and mandatory orders against the plaintiffs.

Held (allowing application; continuing *ad interim* orders with variations):

(1) The evidence disclosed serious triable issues on seven causes of action: secret profits, misappropriation of trademark and sound system, unlawful interference with business, conspiracy to injure, breach of fiduciary duties and breach of the shareholders agreement. These were not frivolous claims but substantial allegations supported by documentary evidence. (para 50)

(2) The company had demonstrated considerably more than a barely arguable case. The harms to the company, *ie,* the loss of its unique trademark, damage to business reputation and goodwill, loss of competitive position, regulatory and contractual consequences, could not be adequately compensated by monetary damages. The harms were intangible, unquantifiable and potentially permanent. Only injunctive relief were effective protection. (para 50)

(3) The plaintiffs had substantial assets within Malaysia, including MMSB shareholdings, bank accounts and personal property. The plaintiffs' past conduct of misappropriating the company's assets, the unauthorised cash removal and the failure to account for funds, demonstrated a real and substantial risk that they could and would dissipate the company's and their assets to frustrate the judgment. The risk was solidly grounded in evidence, not speculation. (para 50)

(4) The balance decisively favoured granting the *ad interim* injunction. The company faced immediate, irreparable harm if the injunction was refused. The plaintiffs faced only temporary restraint from unlawful conduct, with adequate safeguards for living expenses and legal costs and

with complete remedy through the undertaking if the restraint proved unjustified. The harms, the strength of the company's case and the *status quo* considerations, all favoured in maintaining the *ad interim* injunction. (para 50)

(5) The company presented sufficient documentary proof while the plaintiffs offered no evidence in response to negate the company's contentions. Their written submissions raised procedural objections that did not withstand the evidence void. Where substantial evidence meets silence and where the evidence documents wrongdoing, the case for interim relief is compelling. (para 50)

(6) The plaintiffs demonstrated contempt of the *ex parte ad interim* injunction order, by publishing additional defamatory posts after being served with the order, heightened the necessity for continued restraint. They had shown that they would not voluntarily comply with the law or respect judicial authority. Only continuing injunctive relief would protect the company's interests pending trial. (para 50)

(7) If the plaintiffs dissipate assets, any judgment would be unenforceable. If the second plaintiff sells or licenses the trademark to third parties, the company may be unable to recover it. If continuing defamation destroys the business reputation, the company may close before trial. Interim relief was not merely convenient but necessary to preserve the possibility of effective final relief. (para 51)

Case(s) referred to:

Alami Vegetable Oil Products Sdn Bhd v. Mohammed Radwan Alami & Ors [2019] CLJU 1141; [2019] 1 LNS 1141 HC ***(refd)***

American Cyanamid Co v. Ethicon Ltd [1975] AC 396 ***(refd)***

Aspatra Sdn Bhd & Ors v. Bank Bumiputra (M) Bhd & Anor [1987] 2 CLJ 377; [1987] CLJ (Rep) 50 SC ***(refd)***

Biasamas Sdn Bhd & Ors v. Kan Yan Heng & Anor [1998] 4 CLJ 754 CA ***(refd)***

Bina Harta Group Sdn Bhd & Ors v. Yee Chee Pang & Anor [2025] CLJU 477 HC ***(refd)***

Bouvier v. Accent Delight International Ltd [2015] SGCA 45 ***(refd)***

FGV Holdings Bhd (Formerly Known As "Felda Global Ventures Holdings Bhd") v. Mohd Isa Abdul Samad & Anor [2024] 6 CLJ 194 HC ***(refd)***

GS Yuasa Corporation v. GBI Marketing Malaysia Sdn Bhd [2016] CLJU 978; [2016] 1 LNS 978 HC ***(refd)***

Halifax Plc v. Chandler [2001] EWCA Civ 1750 ***(refd)***

Iraqi Ministry Of Defence v. Arcepey Shipping Co SA (The Angel Bell) [1981] QB 65 ***(refd)***

Jaya Sudhir Jayaram v. Nautical Supreme Sdn Bhd & Ors [2019] 7 CLJ 395 FC ***(refd)***

Keet Gerald Francis Noel John v. Mohd Noor Abdullah & Ors [1995] 1 CLJ 293 CA ***(refd)***

Lee Kai Wuen & Anor v. Lee Yee Wuen [2022] 7 CLJ 505 CA ***(refd)***

Low Cheng Teik & Ors v. Low Ean Nee [2024] 9 CLJ 171 FC ***(refd)***

Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (No 2) [2009] 8 CLJ 130 HC ***(refd)***

Pan Malaysian Pools Sdn Bhd v. Kwan Tat Thai & Anor And Other Appeals [2018] 4 CLJ 323 CA ***(refd)***

Renault SA v. Inokom Corporation Sdn Bhd & Anor And Other Applications [2010] 5 CLJ 32 CA ***(refd)***
S & F International Ltd v. Trans-Con Engineering Sdn Bhd [1985] 2 CLJ 228; [1985] CLJ (Rep) 280 FC ***(refd)***
SV Beverages Holdings Sdn Bhd & Ors v. Kickapoo (Malaysia) Sdn Bhd [2008] 4 CLJ 20 CA ***(refd)***
Worldwide Rota Dies Sdn Bhd v. Ronald Ong Cheow Joon [2010] CLJU 444; [2010] 1 LNS 444 HC ***(refd)***
WRP Asia Pacific Sdn Bhd v. Lee Son Hong & Anor [2024] CLJU 2926 HC ***(refd)***

Legislation referred to:
Companies Act 2016, s. 221
Rules of Court 2012, O. 45 r. 7

For the plaintiffs - Haris Md Nor; M/s Adnan Sharida & Assocs
For the defendant - Muhammad Hiqmar Danial Hidzir; M/s Cheang & Ariff

Reported by Najib Tamby

JUDGMENT

Arziah Mohamed Apandi JC:

Introduction And Procedural Context

[1] This matter concerns an application by the third defendant, Studio Twenty Three Sdn Bhd ("the company"), for continuation of interim injunctive relief comprising prohibitory, *Mareva* and mandatory orders against the plaintiffs, Victor Wang and Wang Zheng ("the plaintiffs"). The application arises from a corporate dispute involving allegations of director misconduct, asset misappropriation and systematic interference with the company's business operations as the exclusive luxury nightclub operator in the Tun Razak Exchange (TRX).

[2] The plaintiffs had withdrawn their claim against the defendants on 5 June 2025 with costs. On 30 June 2025, the defendants filed their amended statement of defence and amended counterclaim. The plaintiffs then filed their amended reply to defence and amended defence to counterclaim on 16 July 2025. The *ex parte ad interim* injunction was granted by this court on 22 May 2025 and varied on 5 June 2025. The *ad interim* injunction became absolute on 20 August 2025.

[3] The salient terms of the *ad interim* injunction order are as follows:

(i) the plaintiffs are banned from entering within 500m of Lane 23 premises, harassing staff or customers, accessing the company's digital assets (CCTV, social media, passwords, WhatsApp), publishing defamatory content, representing themselves as company representatives, interfering with business operations, or hiring third parties (including security guards or criminal groups) to monitor or harass the business;

(ii) the plaintiffs' assets are frozen up to RM500,000 each. They cannot remove assets from Malaysia or dispose of, diminish, or otherwise deal with any assets (including bank accounts, shares, or property), whether in Malaysia or abroad. Sale proceeds must be paid to the court or to a solicitors' trust account; and

(iii) the plaintiffs must immediately remove all defamatory publications from all platforms and disclose all assets in writing within seven days *via* affidavit, including bank accounts, shares, loans, debts owed to them, property, trust holdings and investments.

[4] The plaintiffs may withdraw RM1,000 per person per week for daily expenses, RM5,000 monthly for legal fees, and other reasonable amounts approved by this court, with supporting documents. The penal clause on non-compliance was endorsed under O. 45 r. 7 of the Rules of Court 2012 (ROC 2012).

[5] Having considered the evidence and submissions, I am satisfied that the continuation of the *ad interim* injunction is justified, to prevent further irreparable harm to the company.

The Principles Of Injunction

Prohibitory Injunction: The Keet Gerald Francis Test

[6] The position on interim prohibitory injunctions is governed by the Court of Appeal decision in *Keet Gerald Francis Noel John v. Mohd Noor Abdullah & Ors* [1995] 1 CLJ 293; [1995] 1 MLJ 193, which established a tripartite test requiring: (i) a serious question to be tried; (ii) that damages would not provide an adequate remedy; and (iii) that the balance of convenience favours granting the injunction. This test was reaffirmed by the Federal Court in *Jaya Sudhir Jayaram v. Nautical Supreme Sdn Bhd & Ors* [2019] 7 CLJ 395; [2019] 5 MLJ 1, which emphasised that the threshold for "serious question" means the applicant need not demonstrate a *prima facie* case likely to succeed, but merely that there are *bona fide* triable issues warranting court intervention.

[7] The Court of Appeal in *SV Beverages Holdings Sdn Bhd & Ors v. Kickapoo (Malaysia) Sdn Bhd* [2008] 4 CLJ 20; [2008] 4 MLJ 187 clarified that courts should not attempt to resolve conflicts of evidence on affidavit or decide difficult questions of law requiring detailed argument when determining whether serious issues exist. The focus is on whether the pleaded case, supported by evidence, discloses a reasonably arguable cause of action.

Mareva Injunction: The Aspatra Framework

[8] The principles governing the grant of a *Mareva* injunction are well-established. As held by the Federal Court in *S & F International Ltd v. Trans-Con Engineering Sdn Bhd* [1985] 2 CLJ 228; [1985] CLJ (Rep) 280; [1985] 1 MLJ 62, a plaintiff must demonstrate three elements, *ie*, that –

(i) a good arguable case against the defendant; (ii) the defendant has assets within the jurisdiction; and (iii) there is a real risk that the assets would be dissipated or placed beyond reach before judgment could be satisfied.

[9] The threshold for a "good arguable case" is not high. It means more than barely capable of serious argument, but not necessarily that the plaintiff has more than a 50% chance of success.

[10] However, the element of "real risk of dissipation" requires careful scrutiny. As emphasised in *Bouvier v. Accent Delight International Ltd* [2015] SGCA 45 (Singapore Court of Appeal), the court must:

> examine the precise nature of the dishonesty that is alleged and the strength of the evidence relied on in support of the allegation... assessing ... whether there is sufficient basis to find a real risk of dissipation. That alone is the justification which lies at the heart of the court's jurisdiction to grant *Mareva* injunctions.

[11] As clarified in *Lee Kai Wuen & Anor v. Lee Yee Wuen* [2022] 7 CLJ 505, at para. [99]:

> there must be evidence of a real risk of dissipation of assets – whether direct evidence or an inference that may properly be drawn from evidence that is led and provided. It may not be presumed ... If, however, want of probity or misconduct is so clearly established, even at the interlocutory stage, then, depending on the nature of the lack of probity or misconduct, a real risk of dissipation of assets may be inferred – not presumed.

[12] For asset preservation orders, the principles from *Aspatra Sdn Bhd & Ors v. Bank Bumiputra (M) Bhd & Anor* [1987] 2 CLJ 377; [1987] CLJ (Rep) 50; [1988] 1 MLJ 97 require – (i) a good arguable case on the merits; (ii) assets within the jurisdiction; (iii) a real risk that assets will be dissipated; and (iv) that the balance of convenience favours granting the injunction. The "good arguable case" standard as explained in *Biasamas Sdn Bhd & Ors v. Kan Yan Heng & Anor* [1998] 4 CLJ 754; [1998] 4 MLJ 1, requires more than a barely arguable case but need not reach the level of a *prima facie* case – it must be one with a fair chance of success.

Mandatory Injunction: Exceptional Circumstances

[13] Mandatory relief requiring positive action demands more stringent justification, as established in *American Cyanamid Co v. Ethicon Ltd* [1975] AC 396 and adopted locally. The court must be satisfied that exceptional circumstances exist and that the mandatory order is necessary to preserve the *status quo* or to prevent continuing breaches that cause immediate irreparable harm.

A **Factual Matrix And Evidence Analysis**

[14] The company operates Lane 23, a luxury nightclub and bistro occupying premium premises at TRX. The evidence establishes that before the extraordinary general meeting (EGM) of 19 May 2025, both plaintiffs served as Directors alongside the first and second defendants, with equal representation on the Board. This corporate structure was governed by a detailed constitution and shareholders agreement dated 9 November 2024 (SHA), which contained specific provisions regarding Board management, conflict disclosure and default events.

The Mate Mate Energy Conflict

[15] Central to this dispute is the fact that the plaintiffs are the sole shareholders of Mate Mate Sdn Bhd ("MMSB"), the manufacturer and distributor of Mate Mate Natural Energy Drink. Without disclosure to the Board as required by s. 221 of the Companies Act 2016 (CA 2016), the plaintiffs caused the company to expend RM163,273.32 purchasing Mate Mate energy from MMSB, thereby creating a direct conflict of interest and secret profit reaped for the plaintiffs' benefits.

Pattern Of Asset Misappropriation

[16] On 29 April 2025, exactly ten days after the notice of requisition for the plaintiffs' removal as Directors, the second plaintiff caused the registered trademarks TM2024020908 (Class 43) and TM2024020905 (Class 41) to be assigned to herself personally without Board resolution, consideration or the company's knowledge.

[17] The first plaintiff also orchestrated the misappropriation of the company's EUR453,928 L-Acoustics sound system by executing a sham agreement with Motifv8, claiming personal payment of EUR366,889.35, when this amount was actually paid by the company, intending to claim ownership by paying only the remaining EUR87,038,65.

Business Interference

[18] Despite the *ex parte ad interim* injunction order, the plaintiffs embarked on a tactical ambush of business interference including defamatory social media posts on the company's official TikTok account @lane23.kl and a separate @lane23.truth account making false allegations of gangster intimidation and xenophobia. Anonymous emails were also issued out to international DJ Grossomodo's management containing damaging misinformation about criminal investigations and drug-related activities of the defendants, resulting in performance cancellation and the artist performing at a competitor venue; and the unauthorised termination of security services exposing the company to legal liability.

Application Of The Tests For Injunction

Serious Issues To Be Tried/Good Arguable Case

Secret Profits And Breach Of Statutory Duties

[19] Section 221 of the CA 2016 mandates that Directors disclose any direct or indirect interest in contracts with the company "as soon as practicable after the relevant facts have come to the Director's knowledge". The plaintiffs' failure to disclose their ownership of MMSB while causing the company to purchase RM163,273.32 of Mate Mate Energy constitutes a clear breach of this statutory provision.

[20] The High Court in *WRP Asia Pacific Sdn Bhd v. Lee Son Hong & Anor* [2024] CLJU 2926 at [85]-[97] held that non-disclosure under s. 221 of the CA 2016 constitutes breach of fiduciary duty where the Director places personal interest in conflict with company interests. Similarly, in *Pan Malaysian Pools Sdn Bhd v. Kwan Tat Thai & Anor And Other Appeals* [2018] 4 CLJ 323; [2018] 4 MLJ 461, the Court of Appeal found liability for secret profits arising from an employee's undisclosed pecuniary relationships with the employer's vendors.

[21] The evidence establishes *prima facie* breach of the fundamental fiduciary principle that Directors must act in the company's best interests and avoid conflicts of interest, as articulated in *FGV Holdings Bhd (Formerly Known As "Felda Global Ventures Holdings Bhd") v. Mohd Isa Abdul Samad & Anor* [2024] 6 CLJ 194; [2024] 12 MLJ 503.

Conversion And Misappropriation Of Company Assets

[22] The Federal Court's decision in *Low Cheng Teik & Ors v. Low Ean Nee* [2024] 9 CLJ 171; [2024] 5 MLJ 580 is directly on point, holding that a unilateral trademark assignment by directors without the Board's knowledge or approval constitutes wrongful conduct that harms the company. The timing of the assignment that took place within days of the removal notice of the plaintiffs as directors demonstrates deliberate retaliation and the misappropriation of the company's assets.

[23] The High Court's analysis in *GS Yuasa Corporation v. GBI Marketing Malaysia Sdn Bhd* [2016] CLJU 978; [2016] 1 LNS 978; [2017] 8 MLJ 166 identified the key indicators of sham trademark assignments include the assignment for nominal consideration without commercial justification; the absence of negotiations; the lack of payment documentation; and the unexplained delays in registration. These factors are present here, with the additional element of timing suggesting fraudulent intent by the plaintiffs.

[24] Also, the first plaintiff's scheme to claim ownership of the EUR453,928 L-Acoustics system by paying only EUR87,038.65 while falsely claiming personal payment of EUR366,889.35 constitutes attempted

A conversion of company property. The recent High Court decision in *Bina Harta Group Sdn Bhd & Ors v. Yee Chee Pang & Anor* [2025] CLJU 477; [2025] MLJU 625 at [26]-[27] which found the systematic diversion of company funds to constitute serious triable issues warranting interim relief.

Unlawful Interference With Economic Interests

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[25] The tort of unlawful interference with trade or business requires proof of the interference with business; that it was done *via* unlawful means; with the intention to injure; and causing resulting damage (see *Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (No 2)* [2009] 8 CLJ 130; [2009] 3 MLJ 525). The C coordinated social media campaign and deliberate sabotage of the Grossomodo performance satisfy all elements.

[26] Unlawful interference arises when unlawful means are used with the object of causing damage (see: *Worldwide Rota Dies Sdn Bhd v. Ronald Ong Cheow Joon* [2010] CLJU 444; [2010] 1 LNS 444; [2010] 8 MLJ 297). Here, D the defamatory publications and anonymous sabotage clearly aimed to damage the company's reputation and business relationships.

Conspiracy To Injure

[27] The elements from *Renault SA v. Inokom Corporation Sdn Bhd & Anor And Other Applications* [2010] 5 CLJ 32; [2010] 5 MLJ 394 are satisfied: E where the agreement between the plaintiffs (husband and wife acting in concert); with their purpose to injure the company (evidenced by timing and coordination); their acts in execution (trademark theft, sound system scheme, business interference); and (the resulting damage (operational disruption, reputational harm, asset loss)).

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Breach Of Fiduciary Duties And Shareholders Agreement

[28] The plaintiffs' conduct violates multiple fiduciary obligations including the duty of loyalty, good faith, full disclosure and acting in the company's best interests. Clause 10.2 of SHA identifies as default events G including the failure to observe agreement terms, involvement in competing businesses, fraudulent acts and conduct injuring the company's reputation. All the defaulting events are all established here from the plaintiffs' actions.

Inadequacy Of Damages

H Irreparable Harm To Unique Assets And Goodwill

[29] The Lane 23 trademark represents the company's distinctive identity as TRX's exclusive premium nightclub. As emphasised in *Low Cheng Teik* (*supra*), trademark rights are inherently unique, and their misappropriation causes harm that cannot be adequately quantified or compensated I monetarily. The exclusive positioning in a premium location creates goodwill that, once damaged, cannot be easily restored.

[30] Lane 23's unique position as TRX's exclusive licensed nightclub creates irreparable harm impossible to quantify. The trademark represents a distinctive brand identity central to operations. Ongoing social media attacks and performance sabotage cause continuing reputational damage that, once lost, cannot be restored monetarily. The ongoing social media attacks and business interference create continuing harm that defies precise calculation. Each defamatory post, cancelled performance, and reputational attack compounds the damage. In *Bina Harta Group v. Yee Chee Pang*, the court recognised that harm going to a company's very existence cannot be adequately compensated by damages alone, particularly where ongoing breaches pose existential threats.

Market Position And Business Relationships

[31] Lane 23's exclusive position as TRX's only licensed nightclub creates unique business relationships with international artists, premium customers, and corporate partners. The sabotage of the Grossomodo performance demonstrates how easily these relationships can be damaged, with ripple effects throughout the industry that cannot be quantified or restored through monetary compensation.

Real Risk Of Asset Dissipation

Unauthorised Cash Removal

[32] CCTV footage capturing the plaintiffs removing cash from the company safe without Board authorisation provides compelling evidence of dissipation risk. In *Alami Vegetable Oil Products Sdn Bhd v. Mohammed Radwan Alami & Ors* [2019] CLJU 1141; [2019] 1 LNS 1141; [2019] MLJU 802 at [40], the High Court held that unauthorised withdrawal of company funds, unsupported by documentation furnished, clearly evidenced dissipation risk.

Pattern Of Asset Flight

[33] The pattern is clear: a secret trademark assignment immediately after a removal notice; an attempted sound system misappropriation through fraudulent documentation; unauthorised cash removal without accounting; and continued defiance of court orders. This demonstrates escalating disregard for corporate governance and legal obligations.

Sophisticated Concealment Methods

[34] The plaintiffs' use of sham agreements, backdated documents, and anonymous communications reveals sophisticated methods of concealment, increasing the likelihood of successful asset dissipation if unchecked. Their legal sophistication and international connections (foreign passports) heighten the risk of cross-border asset movement.

Balance Of Convenience

[35] The balance favours the company. The injunctions preserve legitimate business operations and prevent further asset misappropriation. The plaintiffs suffer no genuine prejudice as orders merely restrain unlawful conduct, they have no right to perform. Without relief, the company faces extinction, given its exclusive licence and reputation-dependent business model. Public interest favours preventing director misconduct and protecting corporate governance.

[36] The company seeks only to preserve its lawful business operations, protect corporate assets from further misappropriation, and maintain its reputation pending trial. These represent fundamental corporate interests deserving protection. The company faces extinction without interim relief, given the exclusive nature of its TRX licence and its reliance on its reputation in the entertainment industry.

[37] The injunctions merely restrain the plaintiffs from conduct they have no lawful right to perform. Any inconvenience is self-imposed through their own misconduct. They retain the ability to pursue any legitimate claims through proper legal channels while being restrained only from further damaging conduct.

[38] The public interest strongly favours preventing Directors from misappropriating corporate assets and violating fiduciary duties with impunity. Corporate governance depends on effective judicial intervention to restrain directorial misconduct. The integrity of Malaysia's business environment requires robust protection of corporate assets from insider abuse.

[39] The company's employees, customers, suppliers, and other stakeholders deserve protection from the continuing harm caused by the plaintiffs' conduct. The exclusive nightclub licence represents significant public investment in TRX development that internal corporate disputes should not undermine.

Procedural Safeguards And Proportionality

[40] The restraints on physical access, interference with operations, and further asset misappropriation are narrowly tailored to prevent continuation of established harmful conduct while preserving the plaintiffs' legitimate rights. The 500 metre exclusion zone around Lane 23 is reasonable given the evidence of physical confrontations and the need to ensure uninterrupted business operations.

[41] The RM10,000,000 preservation limit for each plaintiff is proportionate to the scale of potential claims and established asset values. The disclosure requirements follow standard *Mareva* practice and are essential for effective asset preservation.

[42] The requirement to remove defamatory content addresses continuing publication causing immediate harm. The asset disclosure obligations are standard in *Mareva* proceedings and necessary for proper preservation of assets pending disposal of this action.

[43] The fundamental principle governing *Mareva* injunctions is that they should not unduly interfere with a defendant's ability to conduct ordinary business. As established in *Halifax Plc v. Chandler* [2001] EWCA Civ 1750:

> The purpose of a freezing injunction is not to interfere with the defendant's ordinary business or his ordinary way of life ... there can be no objection in principle to the defendant's dealing in the ordinary way with his business and with his other creditors.

[44] The Court in *Iraqi Ministry Of Defence v. Arcepey Shipping Co SA (The Angel Bell)* [1981] QB 65 ("*Angel Bell*") held that defendants should be free to make payments they consider necessary in the ordinary course of business, even where the legality of such payments is disputed.

[45] The evidence establishes a compelling case of corporate misconduct requiring immediate judicial intervention. The plaintiffs have engaged in deliberate asset misappropriation, breach of fiduciary duties, and coordinated business interference causing irreparable harm to the company's unique business operations.

[46] All legal tests for interim relief are comprehensively satisfied. The serious triable issues are overwhelming; damages would be wholly inadequate given the unique nature of the assets and the continuing harm; and the balance of convenience decisively favours the preservation of the company's legitimate interests.

[47] The public interest in maintaining corporate governance standards and protecting legitimate business operations strongly supports continuation of the interim orders. Without such relief, the company faces imminent collapse, and the integrity of the judicial process would be undermined by allowing continued asset dissipation and business interference pending trial.

Conclusion

[48] The evidence establishes some corporate fiduciary misconduct requiring immediate intervention. Although not conclusive, the proof of deliberate asset misappropriation, fiduciary breaches, and coordinated business interference would have caused some irreparable harm to the business operations.

[49] Although the plaintiffs deny the allegation of misconduct, they have demonstrated a calculated pattern of conduct to appropriate corporate assets and destroy business goodwill in retaliation for their lawful removal as directors. The timing, coordination and reactions cannot negate those incidents as isolated or mere misunderstandings.

[50] In balancing fairness to both parties, this court continues the *ad interim* orders with variations mentioned at the beginning. The summary of my decision is the following:

(i) the evidence discloses serious triable issues on seven causes of action: secret profits, trademark misappropriation, sound system misappropriation, unlawful interference with business, conspiracy to injure, breach of fiduciary duties, and breach of SHA. These are not frivolous claim, but substantial allegations supported by documentary evidence;

(ii) the company has demonstrated considerably more than a barely arguable case. The documentary evidence (corporate searches, trademark records, purchase invoices, CCTV footage, social media screenshots) is substantial and unrebutted. The plaintiffs have filed no opposing affidavits. Hence, the company has a fair chance of succeeding at trial;

(iii) the harm to the company, *ie*, the loss of its unique trademark, damage to business reputation and goodwill, loss of competitive position, regulatory and contractual consequences cannot be adequately compensated by monetary damages. The harms are intangible, unquantifiable, and potentially permanent. Only injunctive relief provides effective protection;

(iv) the plaintiffs have substantial assets within Malaysia, including MMSB shareholdings, bank accounts, and personal property. This element is easily satisfied;

(v) the plaintiffs' past conduct of misappropriating the company's assets, the unauthorised cash removal and the failure to account for funds demonstrate a real and substantial risk that they could and would dissipate the company's and also their assets to frustrate the judgment. The risk is solidly grounded in evidence, not speculation;

(vi) the balance decisively favours granting the *ad interim* injunction. The company faces immediate, irreparable harm if the injunction is refused. The plaintiffs face only temporary restraint from unlawful conduct, with adequate safeguards for living expenses and legal costs and with complete remedy through the undertaking if the restraint

proves unjustified. The harms, the strength of the company's case and the *status quo* considerations all favour in maintaining the *ad interim* injunction;

(vii) the company has presented sufficient documentary proof. While the plaintiffs have offered no evidence in response to negate the company's contentions. Their written submissions raise procedural objections that do not withstand the evidence void. Where substantial evidence meets silence, and where the evidence documents wrongdoing, the case for interim relief is compelling; and

(viii) the plaintiffs' demonstrated contempt of the *ex parte ad interim* injunction order by publishing additional defamatory posts after being served with the order heightens the necessity for continued restraint. They have shown they will not voluntarily comply with the law or respect judicial authority. Only continuing injunctive relief, will protect the company's interests pending trial.

[51] If the plaintiffs dissipate assets, any judgment will be unenforceable. If the second plaintiff sells or licenses the trademark to third parties, the company may be unable to recover it. If continuing defamation destroys the business's reputation, the company may close before trial. Interim relief is not merely convenient but necessary to preserve the possibility of effective final relief.